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THE ONTARIO COMMITTEE ON TAXATION

Submitter: NORTH WESTERN ONTARIO MUNICIPAL ASSOCIATION

Date received: Dec: 11,1963.

Summary of submission:

Each Municipal Office in Northwestern Ontario received a copy of a letter and questionnaire as reproduced below and a summarization of the replies received as a result of the mailing is also reproduced:

"Dear Sir or Madam,

You will find enclosed a booklet issued by the Ontario Committee on Taxation.

It is the hope of the North Western Ontario Municipal Association to submit a brief to this committee. We are anxious to obtain your opinion. Would you be good enough to forward at the earliest date, your suggestions or recommendations concerning taxes in Ontario and any proposed changes either in type or method of collection?

These should be in my office not later than November 10th.

The attached questionnaire may aid in giving some ideas.

Yours truly,
North Western Ontario Municipal Association
V. K. Croxford,
Secretary-Treasurer."

Questionnaire

1. List any type of tax you think should be eliminated.
   Most replies had no comment. A limited number suggested elimination of the 3% retail sales tax. (Some replies referred to the 11% federal tax on building material)

2. List anytype of tax you think should be adopted
   The only suggestion here was a tax on capital gains and was only suggested on a limited number of returns.

3. List any type of tax you think should be increased
   Increases in luxury taxes including liquor and tobacco were the suggestions here. (An increase in dog taxes was mentioned. This of course is for local solution)

4. List any type of tax you think should be decreased
   This brought several proposals, some not too practical, perhaps. It was claimed that a higher levy against commercial assessment than against residential did not encourage expansion of small business. Municipalities should be exempt from gasoline and fuel oil tax. The tax on property should be lowered. The comment was made that reduction of provincial taxes at present did not appear practical but perhaps examination would produce more efficient methods of utilizing present taxes.

5. List any type of tax now taken by the province you think should be left to the municipality
   Municipal taxes should be confined to property only.

6. List any type of tax now collected by the municipality you think should be taken by the province
   No proposals

7. Should fuel oil and gasoline taxes and vehicle license fees be used solely for highways?

This brought a reply in all but one instance. Opinion was almost unanimous that these should be used solely for highway construction and maintenance. One dissenter felt there was no more justification for using highways revenue for highway costs than for using income tax for any specific purpose.

8. Should provincial parks be financed by admission fees or by general revenue?

Thinking here was fairly evenly divided. Slightly more than 60% favoured admission fees. Some felt the present fee should be reduced entirely. Others recommended a lower fee for residents as against non-residents.

9. Should school boards levy and collect their own taxes or should municipal councils control school budgets, or should the present system continue?

75% agreed that the present system should continue. It was argued that the Province should assume all costs of education. Others felt that the body spending should be responsible for levying and collecting. They would give the authority to the municipal council.

NOTE:

In Mr. Croxford 's letter of December 10, 1963 to Mr. Hanson he regretted that no formal brief would be submitted and in Mr. Hanson's reply of December 12, 1963, he said: "I am sure that the compilation of responses to your questionnaire which you sent to us will be of considerable interest to the Committee. I am having your letter reproduced and distributed to the Commissioners." This will explain the foregoing list of questions and responses.

Distribution

1. Central File
2. Mr. L. J. Smith
3. Mr. Eric Hardy
4. Dr. R. Craig McIvor
5. Mr. C. A. Pollock
6. Mr. R. Bredin Stapells
7. Mr. F. Warren Hurst
8. Mr. G. Townsend
9. Dr. R. H. Clark
10. Mr. H. R. Hanson
11. File
12. File